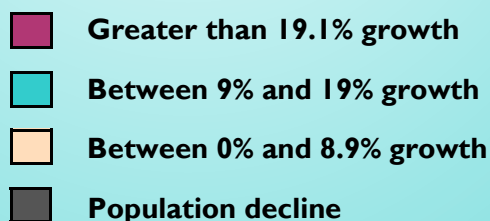
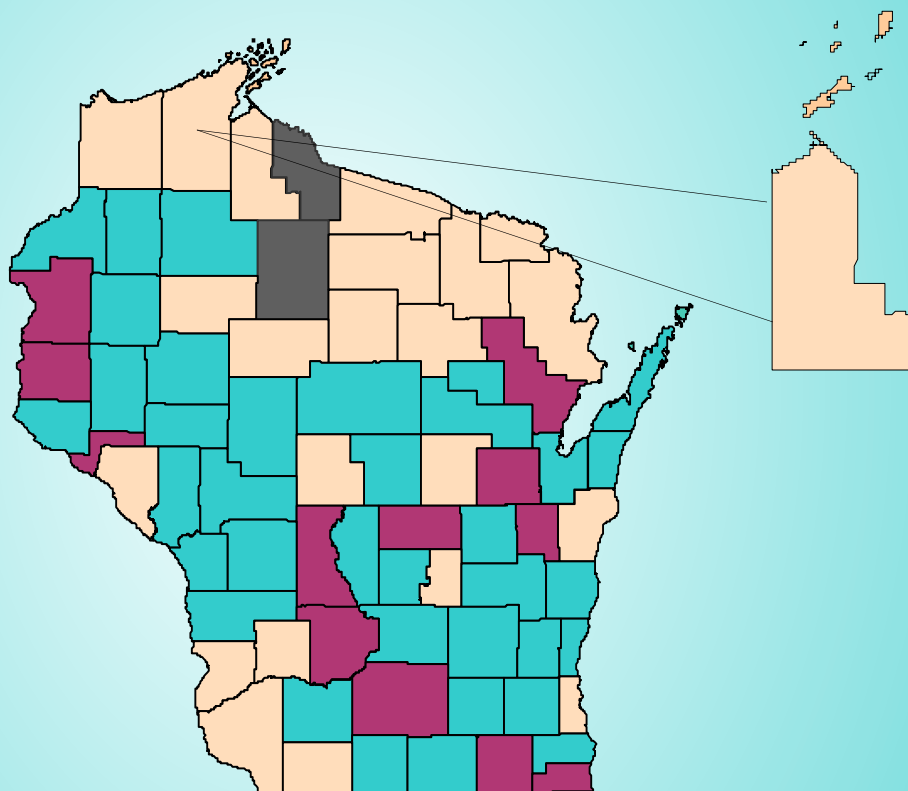


Bayfield County Workforce Profile

Projected population growth from 2000 to 2020



Source: Wisconsin Department of Administration, Demographic Services Center.
Statewide population growth is projected to be 13.9 percent from 2000 to 2020.



County Population

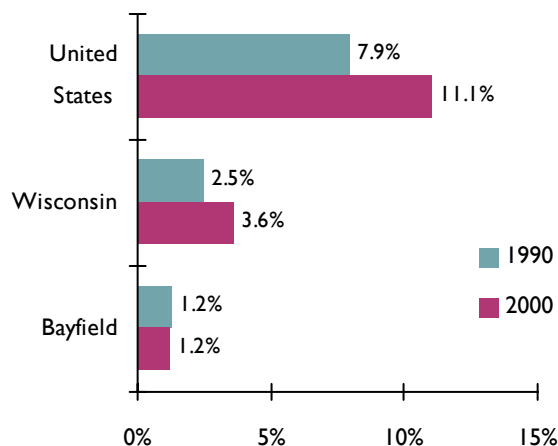
The population increase of 1.7 percent in Bayfield County kept pace with the increase in the State of Wisconsin but lagged the increase in the nation. From April 2000 through December 31, 2001 the population increased by 250 residents from 15,013 to 15,263. Bayfield County, with 1,476 square miles, is the second largest county in the state but with only ten residents per square mile has one-tenth the population density of the state (100 residents/SM).

The largest city in the county is Washburn, but since Census 2000 the population has barely increased. The largest increase in population occurred in the Town of Bayfield with the addition of 37 residents. That was followed by the increase of 26 residents in the Town of Iron River.

Without migration the population in Bayfield County would not have increased. There was no increase in population from natural causes even though there were 106 births in the county. One reason why there was no increase in population from natural causes is that the median age in Bayfield County in 2000 was 42.1 years, higher than in many Wisconsin counties.

Another reason for fewer births is less ethnic diversity in the county population and fewer foreign-born residents than in other areas of Wisconsin and the United States. In the United States, and to some degree in Wisconsin, an increase in births is linked to non-white populations. Even though the

Share of Foreign-born Residents

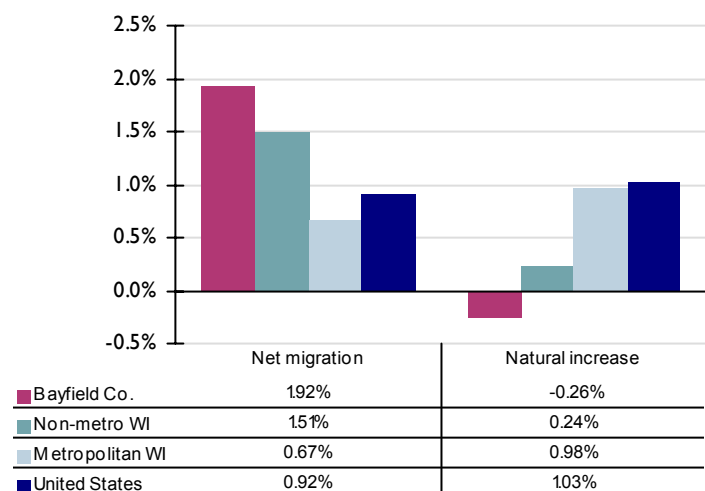


Source: US Dept. of Commerce, Census 2000, Summary file-4, QT-P14

Total Population

	April 2000 Census	January 1, 2002 estimate	Percent change
United States	281,421,906	286,923,000	2.0%
Wisconsin	5,363,701	5,453,896	1.7%
Bayfield County	15,013	15,263	1.7%
Largest Municipalities			
Washburn, City	2,280	2,282	0.1%
Russell, Town	1,216	1,239	1.9%
Iron River, Town	1,059	1,085	2.5%
Cable, Town	836	849	1.6%
Barksdale, Town	801	818	2.1%
Bayfield, Town	625	662	5.9%
Eileen, Town	640	637	-0.5%
Barnes, Town	610	627	2.8%
Bayfield, City	611	610	-0.2%
Washburn, Town	541	551	1.8%

Net migration and natural increase



Source: Wisconsin DOA, Demographic Services Center & US Census Bureau

number of births to whites is still the greatest share of all births, that is declining as births to other ethnic groups increases.

Most of the foreign-born residents in Bayfield County were born in European countries, followed by those from Asia and a substantial number from other North American countries. Out of a total foreign-born population in 2000 of 177, 104 moved to the county from foreign country prior to 1980.

(Continued on page 2)

Bayfield County Workforce Profile

Population Projections by Age Groups in Bayfield County

	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75+
2000																
Male	385	494	658	540	250	298	402	522	643	702	588	499	425	401	304	479
Female	409	485	538	497	240	303	398	547	667	605	557	495	402	350	286	644
2005																
Male	390	440	524	603	379	264	334	438	562	686	767	645	525	400	347	488
Female	374	468	515	496	373	277	348	430	574	702	661	611	514	382	307	608
2010																
Male	399	433	459	477	419	398	296	365	472	602	757	843	683	497	346	528
Female	382	416	489	471	369	424	319	377	451	605	771	726	639	486	333	598
2015																
Male	416	434	447	413	326	437	438	320	390	503	661	828	884	644	427	553
Female	399	417	430	442	345	416	475	342	392	473	659	837	752	599	420	610
2020																
Male	433	444	446	399	279	338	476	467	340	414	554	723	867	830	551	628
Female	414	428	429	388	323	389	464	505	355	411	519	717	866	705	518	695

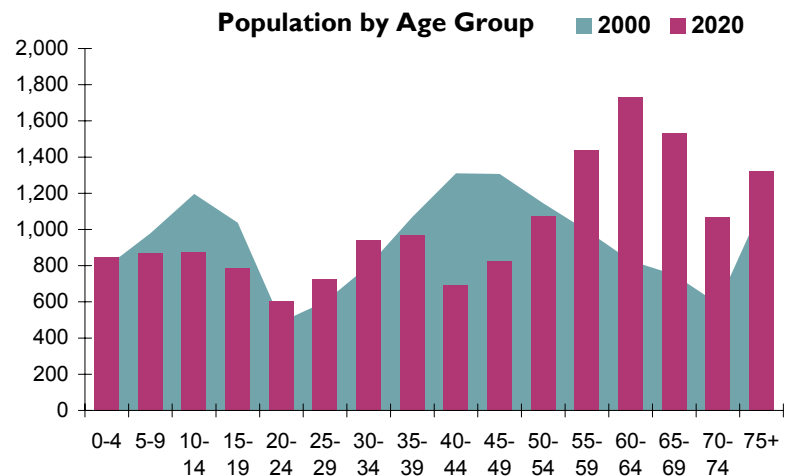
Source: Wisconsin Dept. of Administration, Demographic Services, October 2003

In the last decade there were over 1,500 births in Bayfield County, less than the 1,773 residents 0-9 years old living in the county in 2000 and indicates that some of the increase from migration included younger residents. However, by 2010 the number of residents 0-9 years old is projected to decline.

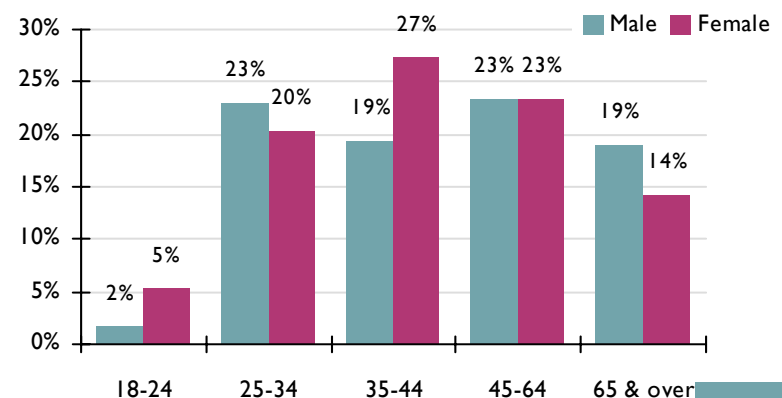
The total population is projected to increase 8.7 percent to 16,315 by 2020. The greatest increase will occur in the population groups between 60 and 69 years old. This increase is from both aging residents and migration of new residents.

The graph on the right illustrates some of the changes that will occur in the county population. By 2020 not only will there be more older residents, there will be fewer residents in the younger age groups. Some of that deficit is the result of fewer births in the late 1990s and early 2000s, but there is also the loss of young people who leave once they graduate from high school.

Bayfield County, however, also manages to attract residents with college degrees, as seen in the bottom graph. The county has a high proportion of young residents with a college degree, much higher than other rural counties. In the 35-44 year old group the share of females is higher than in the state (24%). Overall, 21.6 percent of residents over 25 have at least a bachelor's degree, higher than any other county in northern Wisconsin, but slightly less than the 22.4 percent statewide.



Percent of age group with at least a Bachelor's degree in Bayfield County



Source: US Dept. of Commerce, Census 2000, Summary file 4, QT-P20

Labor Force Characteristics

Once every ten years the census produces labor force demographics that includes labor force participation rates by age groups. The labor force participation rate (LFPR) is the number of residents who are either working or looking for work divided by the total, non-institutional population.

The top graph shows that labor force participation rates are highest for the middle age groups and lowest for the older age groups. This is typical in most counties and states and reflects the changing needs and desires of people to work. Younger residents are in school, middle-aged residents have many financial commitments, and older residents are anticipating retirement.

In Wisconsin the LFPR is higher than most other states and may have reached maximum levels. In 2002, the LFPR in Wisconsin of 73 percent was among the five highest in the United States. The overall participation rate in Bayfield County in 2002 was 64.1 percent, lower than in the state and the national LFPR of 66.6 percent.

The Wisconsin LFPR is higher than in Bayfield County because there is greater participation from all age groups but especially from older residents. In Wisconsin male and female LFPR among 55-61 year olds are 77 and 65 percent, respectively, and among 62-69 year olds, 37 and 29 percent, respectively. All are much higher than the rates for the same groups in the top chart for Bayfield County.

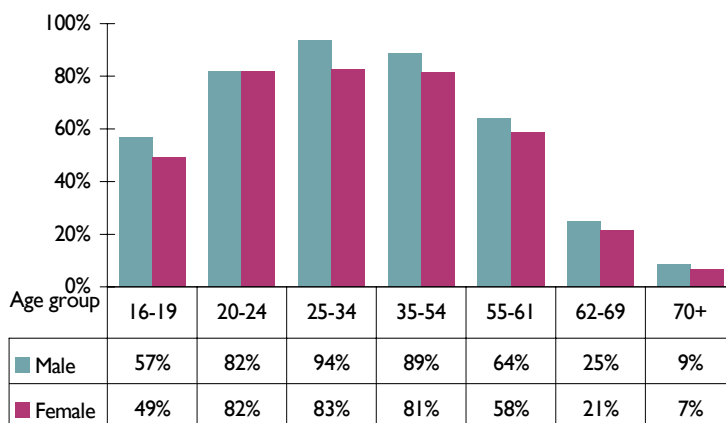
Several possibilities could explain lower participation rates in Bayfield County: the types of jobs require more physical, rather than mental, abilities; residents move to the county to retire, not to work; or, hours and pay of part time jobs are insufficient to entice older workers.

The lower participation from older residents becomes increasingly more significant as a greater share of residents enter those groups. The labor force projections in the graph on the right assume current participation rates by age and sex for the projected population in 2020.

By 2020 the labor force age population (16 years and older) will increase from 11,837 in 2000 to 13,564 but the share of population over the age of 55 years will increase from 36 to 52 percent. Based on these projections the labor force will not ex-

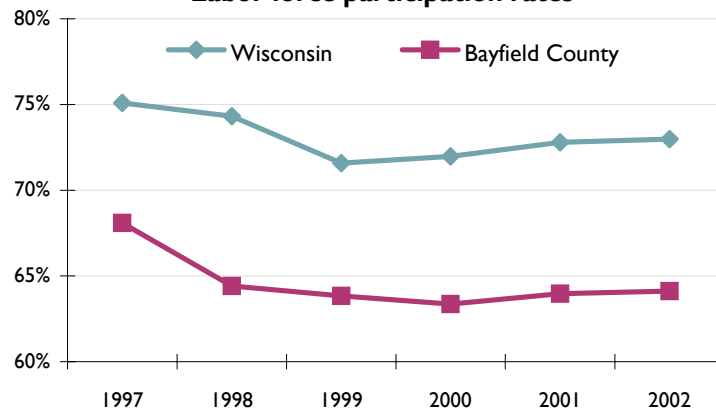
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Bayfield Labor Force Participation by Age & Sex in 2000



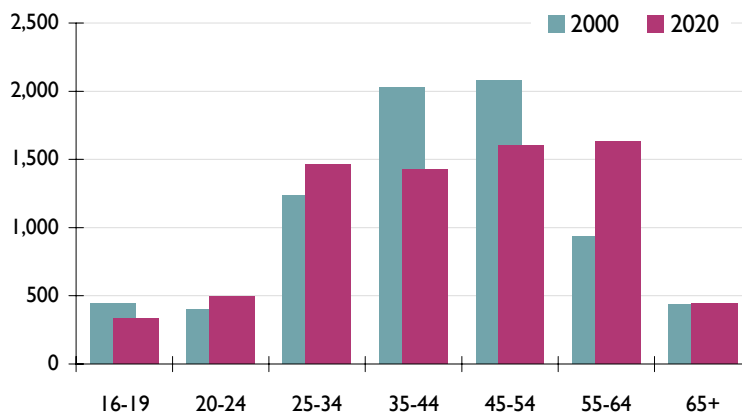
Source: US Dept. of Commerce, Census 2000, Summary file 4, PCT-79

Labor force participation rates



Source: WI DWD, Office of Economic Advisors, 2003

Labor Force by Age in 2000 & 2020 in Bayfield County



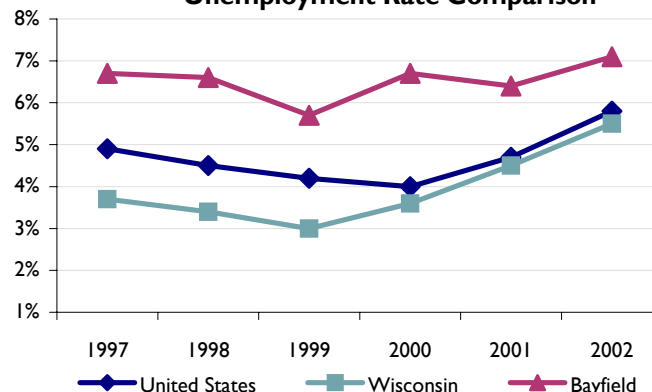
Source: DWD, Office of Economic Advisors, US Census, SF-4 (PCT-79), WI Demographic Services

Bayfield County Workforce Profile

pand in the next twenty-year period, a significant departure from the increase of 16 percent from 1980 to 2000. Increasing the LFPR of residents over 55 years old by five percentage points would add 350 to the labor force and could help alleviate some of the impending labor shortage.

Of the 7,650 residents who currently participate in the labor force 4,116 are employed and 540 are unemployed. The number of employed is down from a high in 1997 due to the recession and loss of jobs in the county. Unemployment rates have also climbed to the highest level since 1994.

Unemployment Rate Comparison



Bayfield County Civilian Labor Force Data

	1997	1998	1999	2000	2001	2002
Labor Force	7,736	7,452	7,196	7,328	7,545	7,656
Employed	7,218	6,960	6,784	6,840	7,062	7,116
Unemployed	518	492	412	488	483	540
Unemployment Rate	6.7%	6.6%	5.7%	6.7%	6.4%	7.1%

Source: WI DWD, Bureau of Workforce Information, LAUS program, 2003

Occupations in demand

Bayfield County is in the northwest region of the state and the list of jobs on the right is representative of the jobs in the county.

The greatest demand for workers is in the occupations on the 'Most Openings' list. This list includes many occupations considered as first-time, or temporary, jobs that workers often leave as other opportunities open up. Turn-over is high and wages are low. There are a few exceptions on the list: registered nurses, truck drivers, and general managers. All three require a greater degree of education and the wage scales also reflect this.

The 'Fastest Growth' occupations are often referred to as hot jobs, with more training requirements and better wages. In Northwest Wisconsin, however, even the fastest growth occupations include many that require only short-term training. There are often fewer openings in these jobs since the list is based on the greatest percent change in employment; for example, an occupation that increases from 5 to 10 jobs increased 100 percent whereas an occupation that changes from 2,000 to 2,200 jobs increased only 10 percent.

Northwest Region Occupation Projections: 2010

	Top Ten Occupations	Education & Training Typically Required*	Average Wage**
Fastest Growth	Computer Support Specialists	Associate degree	\$15.50
	Personal and Home Care Aides	1-month or less training	\$8.13
	Home Health Aides	1-month or less training	\$8.95
	Social/Human Service Assts	1-12 mo. on-the-job training	\$12.72
	Hotel/Motel/Resort Desk Clerks	1-month or less training	\$7.94
	Security Guards/Gaming Surv Offcrs	1-month or less training	NA
	Comb Food Prep/Serv Wrk/Incl Fast	1-month or less training	\$6.47
	Emergency Med Techs/Paramedics	Postsecondary voc. trng	\$9.82
	Tchrs/Prim/Sec/Adult/All Other	Bachelor's degree	\$10.19
	Fitness Trainers/Aerobics Instruct	Postsecondary voc. trng	\$7.54
Most Openings	Comb Food Prep/Serv Wrk/Incl Fast	1-month or less training	\$6.47
	Cashiers	1-month or less training	\$7.09
	Waiters/Waitresses	1-month or less training	\$7.38
	Retail Salespersons	1-month or less training	\$8.23
	Registered Nurses	Bachelor's degree	\$20.27
	Nursing Aides/Orderlies/Attendants	1-month or less training	\$9.27
	Bartenders	1-month or less training	\$6.65
	Maids/Housekpng Cleaners	1-month or less training	\$7.76
	Truck Drivers/Heavy/Tractor-Trailer	1-12 mo. on-the-job training	\$15.61
	General and Operations Mgrs	Work experience & degree	\$26.89

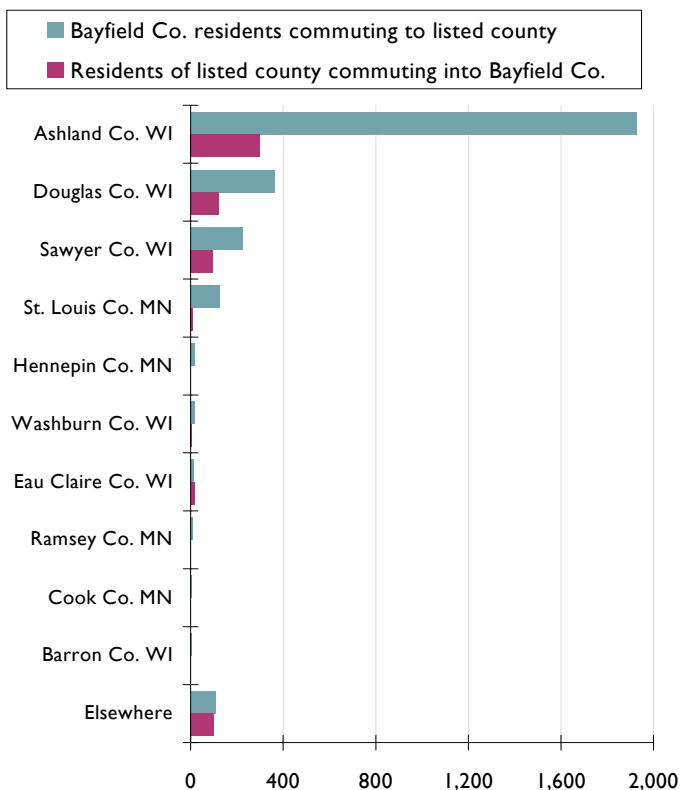
* The most common way to enter the occupation, not the only way

** Wages from Occupation Employment Statistics survey responses for region, 2001
Northwest WDA includes Ashland, Bayfield, Burnett, Douglas, Iron, Price, Rusk, Sawyer, Taylor and Washburn counties.

Source: WI DWD, Bureau of Workforce Information, 2002

County Commuting Patterns

The 'county-to-county worker flow' files, also known as county commuting patterns, are one of the most anticipated data sets released by census. It is a key piece of information when profiling the workforce in a local community, especially in Bayfield County where a large share of residents commute out of the county for jobs. In Wisconsin, com-



muting patterns for municipalities are also available every ten years from the census.

The worker flow patterns for Bayfield County are dominated by the traffic to Ashland County. Over 2,820 workers from Bayfield County travel to jobs outside the area and roughly 1,925 (68%) travel to jobs in Ashland County. Nearly all of those workers, 1,670 are headed to employers in the City of Ashland. Ashland County employers attract workers from all over the county, but nearly 500 live in the City and Town of Washburn.

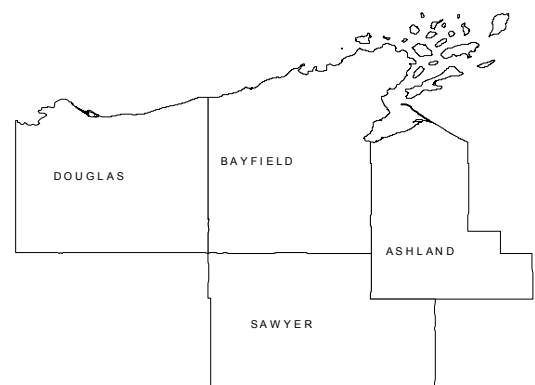
Most of the workers commuting out of the county limit their travel to neighboring counties to less than hour. The second and third most popular destinations for commuters are Douglas and Sawyer counties. In most cases, workers that live near the western border of the county will travel to the City of Superior (Douglas Co.) and those in the southern parts travel to the City of Hayward (Sawyer Co.) for a job.

Residents who travel outside the county for a job are still included among those employed in the Bayfield County labor force. That is one of the reasons that the number of employed is greater than the number of jobs with county employers.

Employers in Bayfield County also attract roughly 655 workers from other counties. Most of these workers are from Ashland County and are headed for jobs in the City of Washburn. Employers need these commuters to help fill some of the 3,900 jobs in the Bayfield County.

	Bayfield Co. residents commuting to listed county	Residents of listed county commuting into Bayfield Co.	Net gain or loss of workers
Ashland Co. WI	1,927	301	-1,626
Douglas Co. WI	365	120	-245
Sawyer Co. WI	224	97	-127
St. Louis Co. MN	125	10	-115
Hennepin Co. MN	19	1	-18
Washburn Co. WI	18	7	-11
Eau Claire Co. WI	16	17	1
Ramsey Co. MN	10	not avail.	not avail.
Cook Co. MN	7	not avail.	not avail.
Barron Co. WI	6	not avail.	not avail.
Elsewhere	107	102	-5

Source: US Dept. of Commerce, Census 2000, County-to-county worker-flow files



Industry Employment -

Introducing NAICS (North American Industry Classification System)

There are new industry classifications in NAICS that simply did not exist in SIC. A good example of this is the new industry sector for management of companies and enterprises. In the past, large companies reported their management operations under their primary SIC. Under NAICS they are asked to report this employment separately.

The transition from SIC, used for the last seventy years, to NAICS began in 1997. However, the Current Employment Statistics program which generates the monthly nonfarm wage and salary estimates

for counties, only converted with the revision of the 2002 estimates. Because NAICS is so different, revisions to earlier years' estimates do not appear in this publication. Estimates for 1990 to 2001 have been published for states and metropolitan areas.

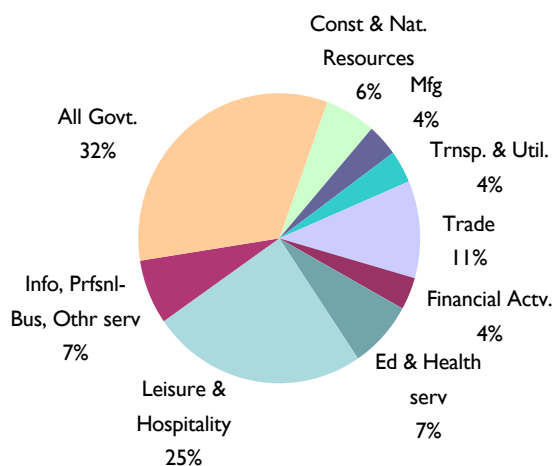
Some of the changes to the Bayfield employment estimates for 2002 are visible in the table below (SIC distribution uses unrevised estimates). Employment in the transportation group declined from six percent under SIC to four percent using NAICS. The most significant change was the transfer of jobs in communication to the new information sector. Jobs from printing and publishing, previously in manufacturing, were also transferred to information.

Manufacturing employment changed when logging jobs were reassigned to natural resources and manufacturing firms with a transportation fleet are now asked to report those jobs in transportation.

Wholesale and retail trade jobs declined to 11 percent of total employment in NAICS from 19 percent. The primary reason is that restaurants, food service companies and bars were assigned to the new NAICS sector of leisure and hospitality. Jobs in hotels and lodging facilities are also part of this new sector which makes it easier to monitor changes in tourist related businesses. It will also be much easier to monitor the rapidly expanding health services

(Continued on page 7)

Bayfield County Industry Distribution: 2002



2002 Industry Employment in Bayfield County: A comparison of two classification systems

NAICS Super-sectors	Employment	Distribution	SIC Industry Divisions	Distribution
Construction, natural resources & mining	237	6%	Construction & Mining	6%
Manufacturing	140	4%	Manufacturing	5%
Transportation, warehousing & utilities	143	4%	Transportation, utilities & communication	6%
Trade (wholesale & retail)	427	11%	Wholesale trade	1%
			Retail trade	18%
Financial activities	144	4%	Finance, insurance & real estate	3%
Information, professional & business services, other services	287	7%	Services & misc (incl. agr, forestry, fishing)	23%
Education and health services	295	7%	Government	38%
Leisure & hospitality	985	25%		
Government	1,319	33%		

Source: WI DWD, Bureau of Workforce Information, Current Employment Statistics Program, March 2003

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sector, grouped only with private education in the monthly estimates. Most education jobs are included in the public sector.

The lists of top ten industries and employers in Bayfield County uses the North American Industry Classification System. In this list all private and public education were grouped together making it the largest industry sector in the county, as it has been

for several years.

Together the largest industry sectors provide over half of all the jobs in the county while the ten largest employers provide one in every four jobs. Four of those employers are from education and three more, including Indian-owned operations, are from the public sector.

Top 10 Industry Groups in Bayfield County

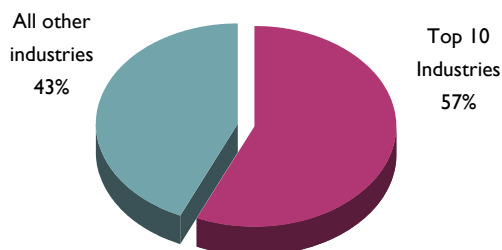
Industry Group	March 2003		Numeric change 2002 - 2003
	Employers	Employees	
Executive, Legislative, & Gen Government	30	560	49
Educational Services	7	421	-16
Food Services and Drinking Places	47	328	7
Accommodation	26	301	-24
Amusement, Gambling & Recreation Ind	14	156	-9
Nursing and Residential Care Facilities	*	*	*
Specialty Trade Contractors	29	101	4
Food And Beverage Stores	8	88	0
Credit Intermediation & Related Activity	5	84	-3
Administration of Environmental Programs	*	*	*

*data suppressed to maintain confidentiality

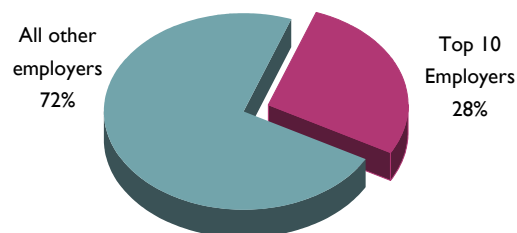
Top 10 Employers in Bayfield County

Company	Product or Service	Size
Red Cliff Band, Lake Superior Chippewa	American Indian tribal governments	100-249
County of Bayfield	Executive & legislative offices, combined	100-249
School District of Washburn	Elementary & secondary schools	100-249
School District of Bayfield	Elementary & secondary schools	100-249
Northern Lights Health Care Center	Nursing care facilities	100-249
Drummond Area School District	Elementary & secondary schools	50-99
Isle Vista Casino	Casinos	50-99
Telemark Interval Owners Assn., Inc.	Hotels and motels	50-99
South Shore School District	Elementary & secondary schools	50-99
Lakewoods, Inc.	Hotels and motels	50-99

Share of jobs with top 10 industries



Share of jobs with top 10 employers



Source: WI DWD, Bureau of Workforce Information, ES-202 special report, First quarter, 2003

Bayfield County Workforce Profile

The bottom graph emphasizes the strong presence of tourism employers, found in the new sector of leisure and hospitality, in Bayfield County. Roughly 29 percent of all jobs in the county but only 19 percent of total payroll is from this sector. The annual average wage for workers in leisure and hospitality in 2002 was \$12,778 which exceeded the average wage for similar workers statewide.

The average wage for all workers in Bayfield County of \$19,836 increased 4.4 percent from the 2001 average of \$18,996. Statewide the average wage rose 2.7 percent in 2002.

Even though NAICS provides a better picture of wages in the new industries, there are still details on part time jobs and temporary employment missing that are key components of annual average wages.

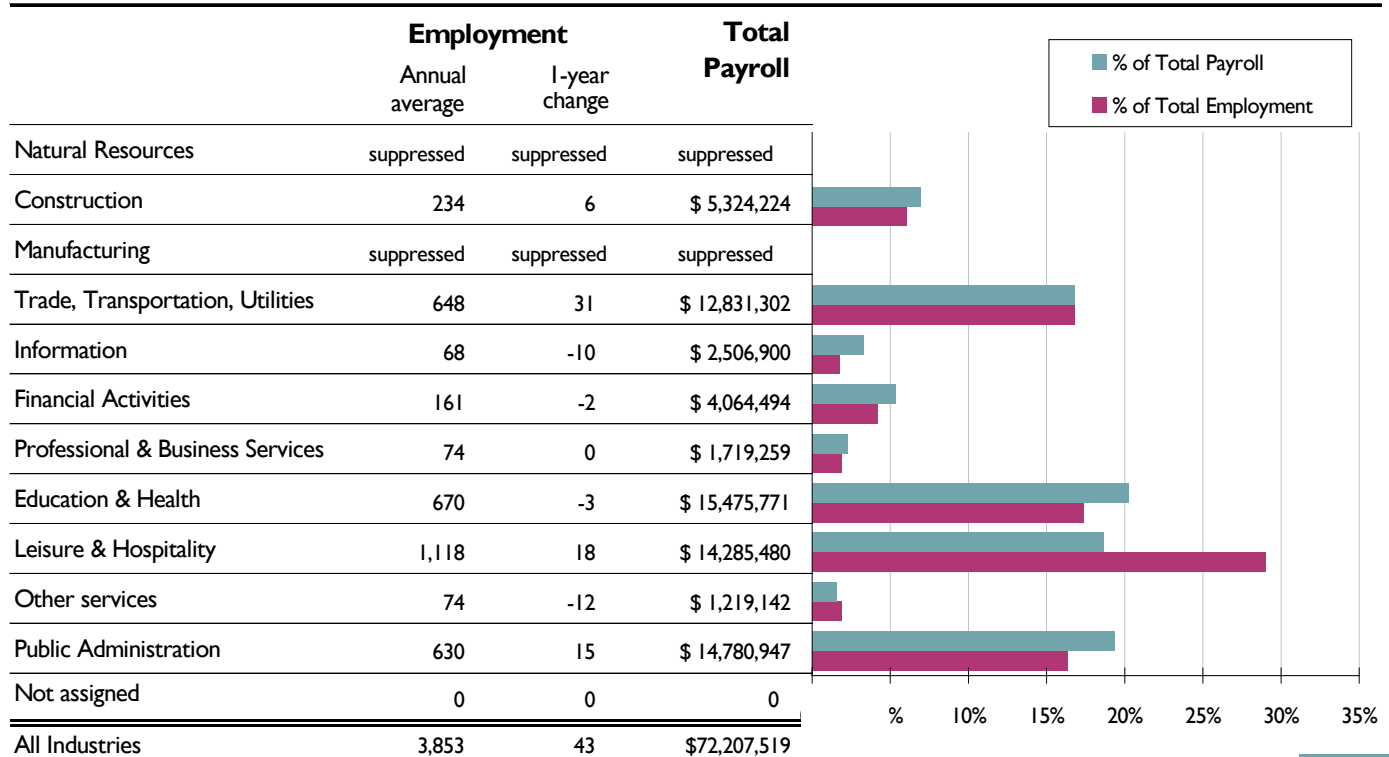
Average Annual Wage by Industry Division in 2002

	Average Annual Wage Wisconsin	Average Annual Wage Bayfield County	Percent of Wisconsin	1-year % change
All Industries	\$ 32,422	\$ 19,836	61%	4.4%
Natural resources	\$ 25,481	suppressed	suppressed	suppressed
Construction	\$ 39,649	\$ 22,753	57%	6.4%
Manufacturing	\$ 40,584	suppressed	suppressed	suppressed
Trade, Transportation, Utilities	\$ 28,422	\$ 19,801	70%	6.5%
Information	\$ 38,871	\$ 36,866	95%	11.6%
Financial activities	\$ 40,337	\$ 25,245	63%	5.5%
Professional & Business Services	\$ 36,324	\$ 23,233	64%	11.2%
Education & Health	\$ 33,768	\$ 23,098	68%	2.7%
Leisure & Hospitality	\$ 11,837	\$ 12,778	108%	5.4%
Other services	\$ 19,500	\$ 16,475	84%	17.2%
Public Administration	\$ 33,769	\$ 23,462	69%	3.4%

Source: WI DWD, Bureau of Workforce Information, Covered Employment & Wages, August 2003

Census 2000 revealed that 27.2 percent of the workforce works part time and 27 percent works less than 40 weeks per year. In Wisconsin 24.1 percent work part time and 19.5 percent work less than 40 weeks per year.

2002 Employment and Wage Distribution by Industry in Bayfield County



Source: WI DWD, Bureau of Workforce Information, Covered Employment and Wages, August 2003

Per Capita Personal Income

Net earnings; from wages, self-employment and proprietorships; comprise the greatest share of total personal income in Bayfield County. Even though net earnings comprise 56.7 percent of total county income that is less than both the state and national share of 66.7 and 67.6 percent, respectively. That's because the share of transfer payments, which include social security, is higher in Bayfield County.

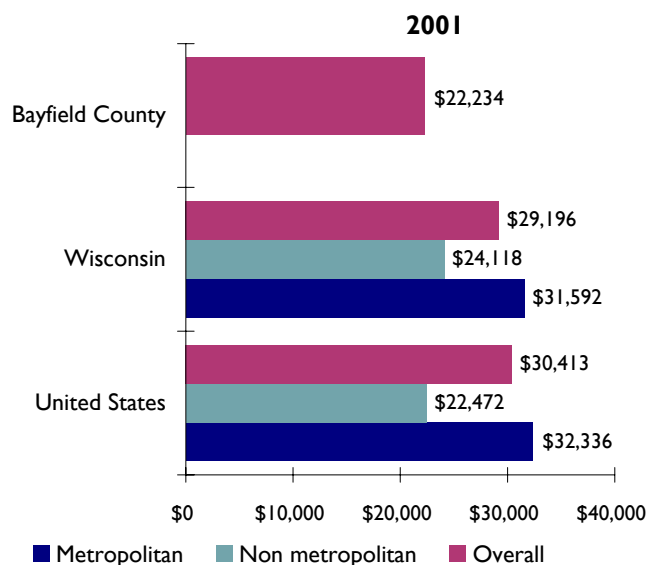
The higher share of transfer payments, plus an annual average wage that is much lower than in the state, contribute to a lower per capita personal in-

come in the county. The gap closes a bit if you compare Bayfield County only to other non-metropolitan counties. Non-metropolitan wages are lower primarily because the jobs available in metro areas are in occupations that demand higher wages and the competition for workers drives up wages.

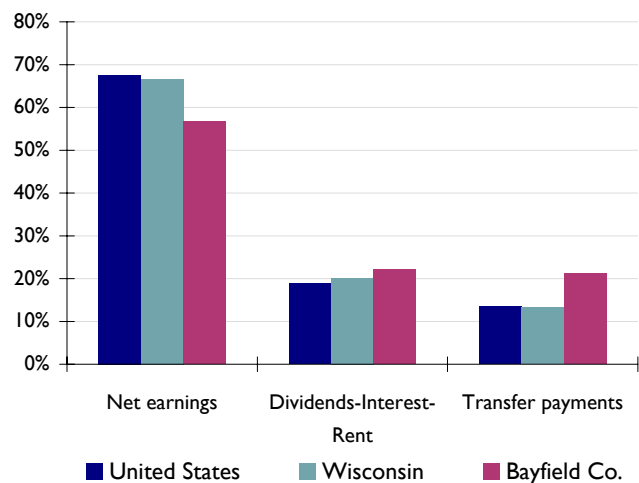
The Bayfield County PCPI of \$22,234 in 2001 was 73 percent of the national PCPI and 76 percent of the state. It ranked 47th among the 72 counties in Wisconsin.

Per Capita Personal Income

	1996	1997	1998	1999	2000	2001	Percent Change	
							1 year	5 year
United States	\$24,270	\$25,412	\$26,893	\$27,880	\$29,760	\$30,413	2.2%	25.3%
Wisconsin	\$23,301	\$24,481	\$26,004	\$26,926	\$28,389	\$29,196	2.8%	25.3%
Bayfield County	\$17,627	\$18,638	\$19,654	\$20,015	\$21,316	\$22,234	4.3%	26.1%



Components of Total Personal Income: 2001



Source: US Dept. of Commerce, Bureau of Economic Analysis, State & Local Personal Income, May 2003, CAI-3, CA05

WWW addresses of source data

Wisconsin population estimates and projections:

<http://www.doa.state.wi.us/dir/index.asp>

Education levels of population, labor force participation rates, commuting patterns:

<http://www.census.gov/main/www/cen2000.html>

Labor force estimates (employed and unemployed), industry employment, average annual wages:

<http://www.dwd.state.wi.us/lmi/>

Occupations in-demand:

http://www.dwd.state.wi.us/lmi/wda_map.htm

Per Capita Personal Income:

<http://www.bea.gov/bea/regional/reis>

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